

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>EAST-CENTRAL IOWA RURAL ELECTRIC COOPERATIVE,</p> <p style="text-align: center;">Complainant,</p> <p style="text-align: center;">vs.</p> <p>INTERSTATE POWER AND LIGHT COMPANY,</p> <p style="text-align: center;">Respondent.</p>	<p>DOCKET NO. SPU-04-13</p>
---	-----------------------------

ORDER APPROVING SETTLEMENT AGREEMENT

(Issued September 8, 2004)

On May 17, 2004, East-Central Iowa Rural Electric Cooperative (East-Central) filed a service territory complaint against Interstate Power and Light Company (IPL) with the Utilities Board (Board). In its complaint, East-Central alleged that IPL was providing service to customers located within two service areas assigned to East-Central in Buchanan County, Iowa. On June 28, 2004, IPL filed an answer and petition for service area boundary modification. In its answer, IPL alleged it has continuously and exclusively provided service to the customers in the areas in question and that the maps for the area in question do not comply with the requirements of Iowa Code § 476.25(1) (2003).

On August 30, 2004, East-Central, IPL, and the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed a proposed settlement for approval with the Board. The parties request the Board to issue an order approving the settlement agreement, granting East-Central's motion to withdraw its complaint, and approving IPL's petition for service area boundary modification. The parties further request that the procedural schedule in this docket be suspended pending further order.

The settlement agreement contains a legal description of the two areas in question, which is hereby incorporated into this order by reference. No one has filed an objection to the settlement agreement. The settlement agreement provides, among other things, that East-Central will relinquish all claims to the service areas in question for a reasonable monetary payment to IPL. The amount of the payment is confidential.

The settlement agreement will prevent unnecessary duplication of facilities, will provide adequate electric service to all affected areas and customers, and will promote the efficient and economical use and development of the electric systems of East-Central and IPL. Therefore, the settlement agreement is in the public interest. Iowa Code § 476.25(2). In addition, the settlement agreement is reasonable in light of the record, is consistent with applicable law, is in the public interest, and should be approved. 199 IAC 7.2(11). There is no need for suspension of the procedural schedule pending further order as the settlement agreement resolves the entire dispute between the parties and this docket should be closed.

IT IS THEREFORE ORDERED:

1. The joint motion for approval of the settlement agreement is granted and the settlement agreement filed by the parties on August 30, 2004, is approved.
2. East-Central's motion to withdraw its complaint is granted, and IPL's petition for service area boundary modification as filed on June 28, 2004, is granted.
3. The hearing scheduled for Tuesday, October 19, 2004, is hereby cancelled.
4. This docket is hereby closed.

UTILITIES BOARD

/s/ Amy L. Christensen
Amy L. Christensen
Administrative Law Judge

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 8th day of September, 2004.